

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1506-03
Bill No.: Perfected HCS for HB 509
Subject: Education, Elementary and Secondary; Elementary and Secondary Education;
Teachers
Type: Original
Date: March 31, 2009

Bill Summary: Requires all school districts to have physical education programs and establishes nutrition standards

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|---|---|---|
| FUND AFFECTED | FY 2010 | FY 2011 | FY 2012 |
| General Revenue | (Unknown - Expected to exceed \$100,000) | (Unknown - Expected to exceed \$100,000) | (Unknown - Expected to exceed \$100,000) |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | (Unknown - Expected to exceed \$100,000) | (Unknown - Expected to exceed \$100,000) | (Unknown - Expected to exceed \$100,000) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2010 | FY 2011 | FY 2012 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 9 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2010 | FY 2011 | FY 2012 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------|----------|----------|
| FUND AFFECTED | FY 2010 | FY 2011 | FY 2012 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|---|---|---|
| FUND AFFECTED | FY 2010 | FY 2011 | FY 2012 |
| Local Government | (Unknown - Could exceed \$100,000) | (Unknown - Could exceed \$100,000) | (Unknown - Could exceed \$100,000) |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** state there is no fiscal impact for DESE; however, there is an unknown significant impact for school districts in the state. Not all districts will have problems complying with this proposed legislation, but other districts could have to build more gyms and hire additional staff.

§167.720.3(1) - Requiring every student in grades K-8 to participate in daily physical education, taught by a certified physical education teacher, is a significant increase in current time (at this time, the state requires elementary students to have 50 minutes per week). Schools currently meeting only the minimum standard (50 minutes per week), will be required to add staff to meet the new requirement of 150 minutes per week. Some school districts already provide daily PE for elementary students, but a majority do not.

§167.720.3(2) - Currently recess is not mandated by the state. A mandated daily recess period of 20 minutes for all students may require certain districts to hire or fund playground supervisors.

§167.720.6 - This section requires that school leaders “ensure the cost-efficient provision of adequate spaces, facilities, equipment, supplies, and operation budgets...” This is hard to measure, and since adequate spaces, etc. has not been identified it is difficult to determine which facilities and what equipment is necessary to meet the requirement. By essentially tripling the minimum requirement of PE time, schools currently meeting the minimum requirement may find it necessary to construct additional gymnasium space or purchase additional equipment.

In response to the introduced version of this proposal, officials from the **Department of Health and Senior Services** stated this proposal will have no fiscal impact on their agency.

Officials from the **Blue Springs School District** state this proposal would require their district to add a minimum of 13 additional with as many as 21 additional physical education teachers at a cost of at least \$650,000 to \$1,000,000 annually.

Officials from the **Special School District of St Louis County** state the proposed legislation would cost their district at least \$550,000 for 10 new physical education teachers. In addition, their district may have to make renovations to one of their buildings to accommodate the increased required for physical education. In addition, the proposal may require the school day to be increased which could increase transportation costs due to the inability to pair routes for schools with extended hours.

ASSUMPTION (continued)

Officials from the **Frances Howell School District (FHSD)** responded in the introduced version of this proposal that they currently provide the required number of minutes of physical education instruction, but not on a daily schedule. Physical education is scheduled in a rotation along with art and music. To move to having physical education every day for Kindergarten through eighth grade, FHSD would need to increase teaching staff, not only in physical education, but also in art and music.

FHSD officials estimated they would need to add a minimum of 10 teachers. At a cost of \$60,000 (salary and benefits), the fiscal impact would be \$600,000. This does not include the facility costs that may be incurred, as their district is already running a program at maximum capacity at some of their schools. The move to every day physical education would require expansion of facilities. This would increase the fiscal impact of this proposed legislation.

Officials from the **Parkway School District** estimate the cost of this proposal to be approximately \$800,000, based on a minimum of 15 additional FTE.

In response to a similar proposal from last year (HB 1891 - FN 3959-01), these school districts offered the following assumptions:

Officials from the **Salisbury School District** assumed this proposal would require an additional teachers and their district would have to build a facility in which to conduct these classes. Their district is only able to offer 50 minutes each week per elementary class because the current facilities are also used as the lunchroom.

Officials from the **Independence School District** assumed that at the elementary level, it would require additional physical education teachers, additional gym space, and equipment to support this program expansion. At the Middle School students currently participate in P.E. (3/5th of the time) and Health (2/5th of the time). At the High School level, it would require the District to increase graduation requirements for physical education to two units; increase the number of instructors; conflict with advance placement, band, debate, theater, and foreign language courses; and would require more indoor physical education space.

Oversight notes that the language of the proposal states that all school districts shall comply with the requirements of this proposal by July 1, 2011. **Oversight** assumes costs for additional staff would not begin until FY 2012; however, if additional construction of facilities is required, those costs to the districts could begin as early as FY 2010 and would be expected to exceed \$100,000.

HA 2 and HA 1 to HA 2

This amendment states that a school district shall be allowed to have any certificated teacher fulfill the requirements of this proposal above current law if the General Assembly doesn't appropriate sufficient additional funds above the amount required for basic school aid to meet the additional personnel and operating costs required by §167.720.

Oversight assumes the cost of this proposal would be shifted to General Revenue to fund the additional staffing and facilities requirements of this proposal.

§167.206 - Amendment 3

This amendment establishes limitations on the fat content of school meals and requires meals to be measured for compliance over a school day.

Officials from DESE state that this amendment is more restrictive than current federal requirements which measure fat content over the school week rather than the school day. This requirement will lead to higher food costs for school districts. DESE cannot estimate those increased costs.

In response to identical legislation from this session (HB 900 - 2000-01), officials from the **Department of Health and Senior Services** state this section has no fiscal impact on their agency.

Officials from the **Blue Springs School District** state this proposal would reduce revenue for their district by \$400,000 annually.

§167.205 - Amendment 4 - Nutritional standards for schools

This amendment establishes nutritional standards for foods and beverages sold to students during the school day.

In response to identical legislation from this session (HB 901 - 1979-01), officials from the **Department of Health and Senior Services** state this section has no fiscal impact on their agency.

Officials from the **Special School District of St Louis County** state this proposed legislation would cost their district about \$22,000 in "ala carte sales" based on the nutritional limitations.

FISCAL IMPACT - State Government

FY 2010
(10 Mo.)

FY 2011

FY 2012

GENERAL REVENUE

Cost - Department of Elementary and
Secondary Education - Staffing and
operating costs for physical education
classes

(Unknown -
Expected to
exceed
\$100,000)

(Unknown -
Expected to
exceed
\$100,000)

(Unknown -
Expected to
exceed
\$100,000)

**EXPECTED NET EFFECT ON
GENERAL REVENUE**

(Unknown -
Expected to
exceed
\$100,000)

(Unknown -
Expected to
exceed
\$100,000)

(Unknown -
Expected to
exceed
\$100,000)

FISCAL IMPACT - Local Government

FY 2010
(10 Mo.)

FY 2011

FY 2012

LOCAL POLITICAL SUBDIVISIONS

Income - School Districts - Funding for additional staff and operating expenses for expanded physical education programs

Unknown -
Expected to
exceed
\$100,000

Unknown -
Expected to
exceed
\$100,000

Unknown -
Expected to
exceed
\$100,000

Cost - School Districts - Construction costs for facilities for expanded physical education requirement

(Expected to
exceed
\$100,000)

(Expected to
exceed
\$100,000)

\$0

Cost - School Districts - Additional staffing required for expanded physical education requirement

\$0

\$0

(Expected to
exceed
\$100,000)

Cost - School Districts - Increased food costs

(Unknown -
Could exceed
\$100,000)

(Unknown -
Could exceed
\$100,000)

(Unknown -
Could exceed
\$100,000)

**ESTIMATED NET EFFECT ON
POLITICAL SUBDIVISIONS**

(Unknown -
Could exceed
\$100,000)

(Unknown -
Could exceed
\$100,000)

(Unknown -
Could exceed
\$100,000)

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

By July 1, 2011, this proposal requires all school districts to have physical education programs that:

- (1) Require daily participation in physical education for students in kindergarten through eighth grade, consistent with the recommendations of the National Association for Sport and Physical Education as approved by the American Heart Association, at a weekly minimum 20-minute daily recess period for kindergarten through fifth grade students;
- (2) Establish goals and objectives for physical education based on a sequential, developmentally appropriate curriculum, with a minimum of 50% of class time devoted to physical activity, in addition to other requirements specified in the proposal;
- (3) Include suitable adaptations for students who have medical or physical conditions that make participation in regular physical education activities difficult;
- (4) Provide for regular assessments at the local level for attainment of objectives, and in first through eighth grades and when high school physical education courses are taken, through the state's physical fitness assessment which are to be reported to the Department of Elementary and Secondary Education in the June reporting cycle for core data; and
- (5) Provide for health-related fitness testing to be integrated into the curriculum as an instructional tool.

Exemptions from taking physical education courses that are based on participation in other activities such as marching band or athletic teams are not permitted. Facilities and equipment as well as teacher requirements are specified. The physical education program must be coordinated with other components of overall school health programs, local wellness policies, and health education and physical education grade level expectations.

HA Amendment 3 - School Nutrition

This amendment requires school meals to derive no more than 30% of their calories from fat and to limit saturated fat to less than 10% of the calories as measured over the school day including breakfast and lunch.

FISCAL DESCRIPTION (continued)

HA Amendment 4 - Nutritional standards for schools

This amendment establishes minimum nutritional standards for food and beverages sold or provided to students during the school day. Snacks must not exceed specified calorie, sugar, and fat contents; and beverages are limited to certain juices and juice drinks, water and zero-calorie flavored water, and lowfat and nonfat milks. Foods that compete with school lunches are limited in their hours and locations of sale, and any money from these sales must go to the school's nutrition program account.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education

Department of Health and Senior Services

School Districts

Blue Springs

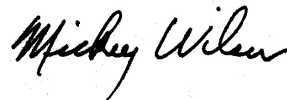
Special School District of St Louis County

Francis Howell

Salisbury

Independence

Parkway



Mickey Wilson, CPA
Director
March 31, 2009